



Oregon

Kate Brown, Governor

Department of Environmental Quality

Northwest Region Portland Office
700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
(503) 229-5263
FAX (503) 229-6945
TTY (503) 229-5471

March 19, 2018

Also Sent Via E-mail

The River Mile 4-7 Group
c/o Elizabeth Weaver
Norton Rose Fulbright US, LLP
555 South Flower Street, Forty-First Floor,
Los Angeles, CA 90071

**Re: River Mile 4-7 Group February 2, 2018 Letter
NW Natural "Gasco Site"
Portland, OR
ECSI No. 84**

Dear Ms. Weaver:

The Oregon Department of Environmental Quality (DEQ) received the River Mile 4-7 Group (RM 4-7 Group) letter from you dated February 2, 2018. The February 2nd letter follows up a meeting on November 2, 2017 with the Environmental Protection Agency (EPA) in Seattle, Washington. DEQ understands the purpose of the February 2nd letter is to reiterate assertions and opinions regarding the NW Natural "Gasco Site" made by the RM 4-7 Group during the November 2nd meeting and in correspondence that preceded the meeting. In addition, the letter requests that DEQ provide the group with copies of future relevant correspondence related to the Gasco Site.

As the RM 4-7 Group knows, DEQ is overseeing the Remedial Investigation (RI) and Feasibility Study (FS) and the Portland Harbor Source Control Evaluation (SCE) of the uplands property formerly used for manufactured gas plant (MGP) operations by NW Natural. Given the focus of the February 2nd letter, I was asked by Matt McClincy, DEQ's Source Control Lead Worker, to reply in my role as the DEQ project manager for the Gasco Site. Going forward, DEQ requests that all correspondence related to the Gasco Site uplands be directed to me, and that you do not copy Director Whitman.

The Gasco Site uplands RI/FS and source control work are ongoing. To avoid future misunderstandings regarding the status and/or direction of uplands work, DEQ is providing the following clarifications to the November 2nd presentations and/or February 2nd letter:

- The November 2nd presentations and February 2nd letter identify stormwater discharges and DNAPL migration as potential sources of contamination from the uplands to sediments in the Willamette River. DEQ's August 25, 2017 letter to Deborah Edwards, Exxon Mobil Environmental Services Company, acknowledges that impacted sediments at the Gasco Site are a significant active source of contamination. DEQ considers it important for the RM 4-7 Group to be aware that historical direct surface discharges of MGP residuals from the uplands to the river are considered the primary



source of sediment impacts offshore of the former Gasco MGP operations area. Given historical direct discharge of MGP residuals is not mentioned by the RM 4-7 Group, DEQ includes it here to avoid misunderstandings going forward, in particular by anyone reading the November 2nd meeting presentations and/or February 2nd letter not familiar with the history of the Gasco MGP.

- The February 2nd letter indicates that, "...contaminants in stormwater have been documented to be up to 390 times higher than the sediment cleanup level articulated in the January 2017 EPA Record of Decision for the Portland Harbor Site." This information is included in the letter without citation. DEQ reminds the RM 4-7 Group that our August 25th letter indicated the group's previous references to stormwater data relied on information collected in 2007-2008. Information taken from 2007-2008 does not include data that are more recent, or account for operational and infrastructure changes at the site. Consequently, the information referenced in the February 2nd letter may be incomplete and not representative of current conditions. Under DEQ oversight, NW Natural is moving forward with obtaining coverage under the 2017 NPDES 1200Z Industrial Stormwater general permit, and implementation of stormwater source control measures to reduce and control stormwater discharges from the site. Performance monitoring will provide the basis for evaluating the effectiveness of source control measures.
- The February 2nd letter states that, "Additional outfall sampling (loading studies) will be necessary to characterize the stormwater control required at the NW Natural/Gasco Site." DEQ acknowledges the group's recommendation for additional stormwater data analysis. DEQ will use the results of source control measures performance monitoring and ongoing 1200Z monitoring to determine the scope of future sampling and analytical work and data analysis. In consultation with EPA, DEQ is developing targeted stormwater loading studies within five geographic areas of Portland Harbor, including discharges to RM 6-8W (i.e., the area including the Gasco Site).
- Regarding the NW Natural hydraulic control and containment (HC&C) system, the February 2nd letter indicates that:
 - The HC&C system "...is ineffective to contain and control DNAPL migration from the NW Natural/Gasco Site..." To avoid potential misunderstandings going forward, DEQ would like to clarify that groundwater source control involves shallow groundwater in the fill and deeper groundwater in the alluvium. The HC&C system design objectives are to prevent contaminated groundwater in the alluvium from migrating to the river while minimizing DNAPL mobilization associated with system operations. Performance monitoring completed to date indicates the system is meeting these objectives.
 - The same sentence goes on to indicate that the system "...must be replaced with a system/technology demonstrated to be effective at limiting DNAPL migration to the river and river sediments." The RM 4-7 Group should be aware that the Gasco FS planning process is ongoing. Identification of DNAPL remedial technologies that are proven effective at MGP sites is an important element of FS planning.
- The attachment to the February 2nd letter appears to be a single slide taken from one of the November 2nd meeting presentations. The slide lacks context, and by itself could result in misunderstandings regarding the status of uplands DNAPL investigations. For clarification, DNAPL occurrence and movement are the subject of ongoing investigations. To date, active DNAPL migration from the uplands to the river has not been documented and/or visually observed

River Mile 4-7 Group
c/o Elizabeth Weaver
March 19, 2018
Page 3 of 4

as the slide seems to imply. Rather, MGP residuals and DNAPL observed in river sediments are considered to be primarily associated with historical direct discharges.

Going forward, a main objective of the Gasco FS is to evaluate, select, design, and construct the remaining elements of source control to augment the HC&C system already in-place. The source control elements being evaluated during FS planning include integrating the riverbank into the design and construction of the in-water sediment remedy being overseen by EPA, and construction and operation of a control and containment remedy for shallow groundwater in the fill. In combination with the existing HC&C system, the shallow groundwater measure will prevent most uplands groundwater from reaching the river along the portion of the shoreline designated for source control.

DEQ acknowledges the RM 4-7 Group opinions regarding the Gasco Site stormwater discharges and potential DNAPL migration, and reiterates that the Gasco uplands FS and source control evaluation and EPA in-water design and review process will address both upland and in-water sources of contamination. The in-water design process for all Portland Harbor sediment management areas includes additional delineation work to refine the remedial action project area and a review of source control measures to confirm that these measures are sufficient to prevent sediment remedy recontamination.

Regarding the RM 4-7 Group's request for copies of future correspondence related to the Gasco Site, DEQ requests that the group utilize the public records process. Records can be requested online at <http://www.oregon.gov/deq/about-us/Pages/Requesting-Public-Records-Form.aspx>.

DEQ understands that the RM 4-7 Group intends to submit comments on future correspondence for the Gasco Site. Please be aware that DEQ does not typically respond to unsolicited comments submitted by third parties, particularly in matters relating to the allocation of liability. The RM 4-7 Group should not take the absence of a DEQ response as our acceptance and/or concurrence with opinions presented during the November 2nd meeting, in the February 2nd letter, or in future comment letters. That said, we will add you to the public notice list when we seek public comments on documents such as the final site source control decision or the FS staff report.

Please contact me with any questions you have regarding this letter.

Sincerely,



Dana Bayuk
Project Manager
NW Region Cleanup Program

River Mile 4-7 Group
c/o Elizabeth Weaver
March 19, 2018
Page 4 of 4

Cc: John Frankenthal, counsel for Atlantic Richfield Company/BP
Michelle Rosenthal, counsel for Brix Maritime Co.
Deborah Edwards, counsel for Exxon Mobil Corporation
Greg Jacoby, counsel for Shore Terminals
Gary Gengel, counsel for Toyota Motor Sales U.S.A., Inc.
Julie Weis, Haglund Kelley LLP
Priscilla Hampton, counsel for Kinder Morgan
Myron Burr, Siltronic Corporation
Ilene Munk, Foley & Mansfield
Bob Wyatt, NW Natural
Patty Dost, Pearl Legal Services
Sean Sheldrake, EPA Region 10
Lori Cora, EPA Region 10
Kevin Parrett, DEQ
Paul Seidel, DEQ
Matt McClincy, DEQ
Madi Novak, DEQ
ECSI No. 84 File